

Very simple summary of the Feed in Tariff (aka Clean Energy Cashback)

From 1st April 2010 householders can earn money for generating their own electricity using wind, hydro and solar photovoltaic systems.

How do I earn money?

Earn income in three ways:

1. **Total generation:** You will be paid for every kWh your system generates (tariffs on pg 3).
2. **Export:** You will also be paid 3 p/kWh for an assumed percentage of export.
3. **Own consumption:** You will also save approx 12 p/kWh by using your own electricity as much as possible.

An example:

Mr Green installs a 2.8kWp PV array on 3rd April 2010 in a perfect location. His system will generate a total of 2380 kWh/yr. He often works from home so can make use of the electricity he generates by putting the washing machine and dishwasher on when it's sunny, the rest is automatically fed back into the grid.

1. He will be paid 41.3 p/kWh for **total generation** for 25 years, that's £982.94 each year.
2. He **exports** 50% of the total generation and gets paid 3 p/kWh for this. So that's 3p for 1190kWh each year which adds up to £35.70.
3. He usually buys electricity from EDF at 12p/kWh, so by **consuming his own** electricity during the day he can save £142.80 each year.

This works out to an annual income of £1161.44!

Does it matter when I installed?

If you installed before 15th July 2009:

- You will not be eligible for the full FiT. If you are already registered to receive ROCs (Renewable Obligation Certificates) you will be eligible for 9 p/kWh for **total generation**.

If you installed between 15th July 2009 and 31st March 2010:

- You will be eligible for the FiT. If you are registered to receive ROCs you will be automatically transferred onto the FiT. If you are not registered to receive ROCs you will need to provide your supplier with relevant information.

If you installed after 1st April 2010:

- You are eligible for the FiT, but you must use an MCS accredited installer and kit.

What if I had a grant from the Low Carbon Buildings Programme?

If you are a householder it doesn't matter, you will not have to pay it back. You can no longer get any grants from LCBP for wind, hydro or PV.

If you received a non-domestic LCBP2 grant you will have to repay it if your system was installed after 15th July 2009. Please see the guidance from DECC on our website.

I've heard the total generation tariff decreases each year?

Your tariff will be constant for the duration, but people who install a system in 2015 will be on a lower tariff than those who install in 2010. This is because the government expects the installation costs to decrease as more and more people install. In fact the tariff is linked to the Retail Price index so will increase with inflation.

Here are the **total generation** tariffs for the next four years:

Technology	Size	p/kWh when installed between:				Tariff lifetime (years)
		15/7/09 - 31/3/11	1/4/11 - 31/1/12	1/4/12 - 31/3/13	1/4/13 - 31/3/14	
Anaerobic digestion	<500kW	11.5	11.5	11.5	11.5	20
Hydro	<15kW	19.9	19.9	19.9	19.9	20
Hydro	15-100kW	17.8	17.8	17.8	17.8	20
MicroCHP pilot	<2 kW	10*	10*	10*	10*	10
PV	<4 kW (new build)	36.1	36.1	33.0	30.2	25
PV	<4 kW (retrofit)	41.3	41.3	37.8	34.6	25
PV	>4-10 kW	36.1	36.1	33.0	30.2	25
PV	>10-100 kW	31.4	31.4	28.7	26.3	25
PV	Stand alone system	29.3	29.3	26.8	24.5	25
Wind	<1.5kW	34.5	34.5	32.6	30.8	20
Wind	>1.5-15kW	26.7	26.7	25.5	24.3	20
Wind	>15-100kW	24.1	24.1	23.0	21.9	20
Existing microgenerators installed before 15/7/09		9.0	9.0	9.0	9.0	until 2027



Will I have to pay any income tax?

You will not have to pay income tax if the system is installed on your own home, and so long as your total generation does not significantly exceed the total amount of electricity consumed in those premises.

Do I need an export meter?

No. It has been decided that export payments will be based on an assumed percentage of total generation. So when you submit a reading from your total generation meter (fitted as standard as part of any installation) your electricity company will assume that a set percentage of that has been exported and a set percentage used on site. This makes it a lot simpler for householders.

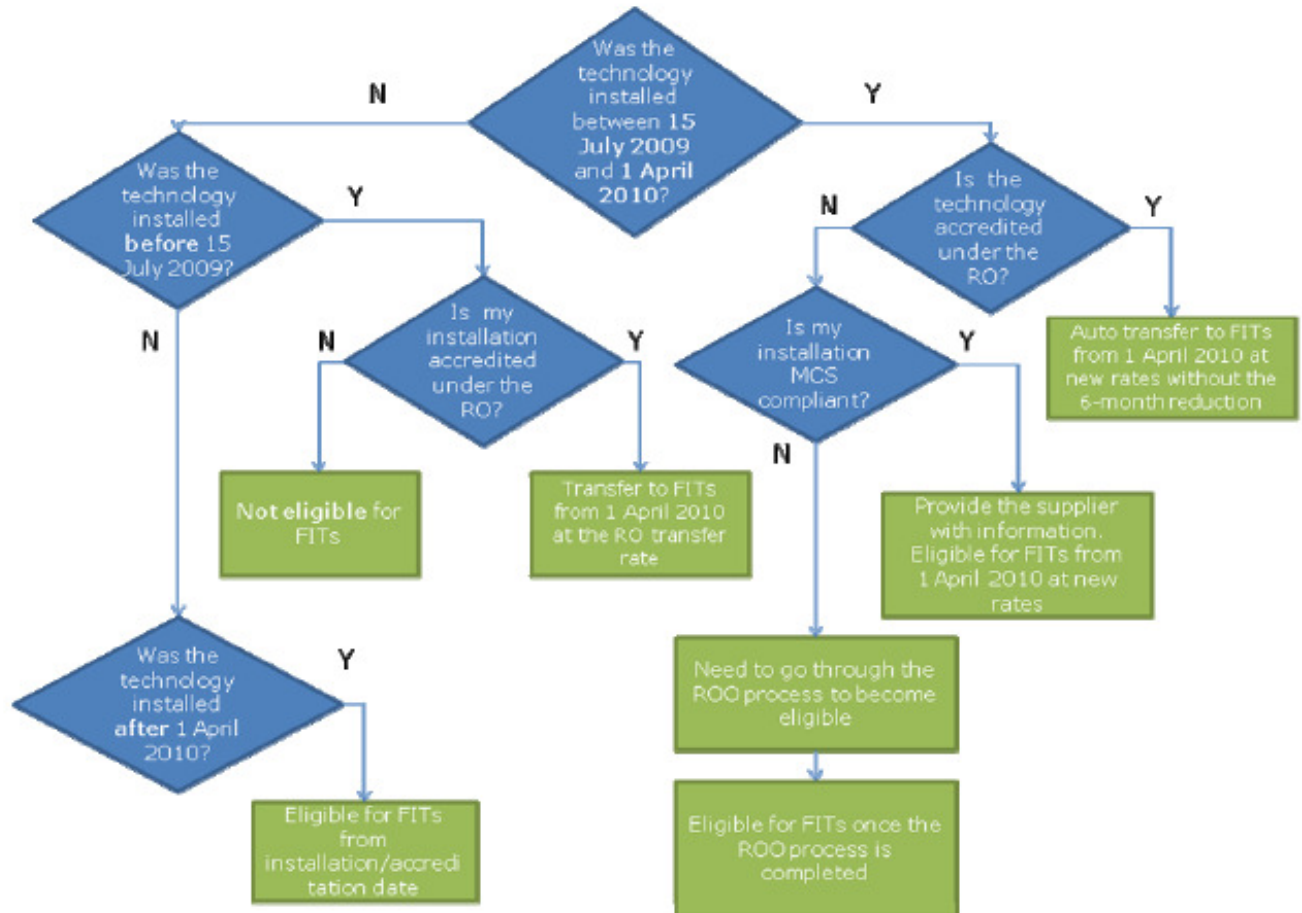
- It will be assumed that hydro generators will export 75% of their total generation
- It will be assumed that wind and PV generator will export 50% of their total generation

Larger generators may prefer to opt out of the 'assumed' payments.

What else should I know?

- You have to use an installer accredited by the Microgeneration Certification Scheme. Renewable Energy 4 Devon can help you find local Devon-based installers and check to see if they are accredited on <http://www.microgenerationcertification.org/>.
- You can also claim the FiT for stand-alone systems. This is only relevant to you if your home is already not connected to mains electricity supply.
- For more detailed information you can download the full government documents here: http://www.decc.gov.uk/en/content/cms/consultations/elec_financial/elec_financial.aspx

FiT eligibility flowchart



If you have any more questions please do not hesitate to contact us on info@energyactiondevon.org.uk, or you can call the Energy Saving Trust Advice Centre on 0800 512 012.